

In Canada:

the Minister of Communications.

In the Socialist Federal Republic of Yugoslavia:

- 1) "Yugoslavia Film" Association of Film Production and Distribution Organizations and
- 2) Business Community of Broadcasting Organizations of Associated Labour "Yougoslavian Radio-Television".

ARTICLE 2

1. In order to qualify for the benefits of this Agreement, co-productions must be undertaken by producers who have good technical organization, sound financial backing and recognized professional standing.

2. Live action shooting as well as animation works, such as storyboards, layout, key animation, inbetweens and voice recording, must be carried out in either Canada or the Socialist Federal Republic of Yugoslavia. Location shooting, exterior or interior, in a country not participating in the co-production may be authorized, if the script or the action so requires and if technicians from Canada and Yugoslavia take part in the shooting.

ARTICLE 3

1. The producers, the writers and the directors of co-productions, as well as technicians, performers and other production personnel participating in the production, must be nationals or permanent residents of Canada or of the Socialist Federal Republic of Yugoslavia.

2. The term "permanent residents of Canada" mentioned in the preceding paragraph has the same meaning as in the provisions of the Canada Income Tax Regulations relating to certified productions, as they may be amended from time to time. A permanent resident in the Socialist Federal Republic of Yugoslavia is a person permanently residing in the Socialist Federal Republic of Yugoslavia and properly registered in keeping with the regulations of the socialist republics and socialist autonomous provinces.

3. Should the co-production so require, the participation of one (1) performer other than those provided for in the first paragraph may be permitted, subject to agreement between the competent authorities or organizations mentioned in Article 1 para. 5 of the present Agreement.

ARTICLE 4

1. The proportion of the respective contributions of the co-producers of the two countries may vary from twenty (20) to eighty (80) per cent of production costs for each co-production.